

OGC 74-2235
29 November 1974

Executive Registry

74-6106/A

Mr. Jerry Jones
Staff Secretary
The White House
Washington, D.C.

Dear Mr. Jones:

This is in response to Mr. Rumsfeld's memorandum of 28 October transmitting certain materials concerning conflict of interests requirements of White House employees and certain other Government employees. Mr. Rumsfeld asked us to advise you on the status of this Agency's compliance with the relevant requirements.

Some of the documents forwarded with the Rumsfeld memorandum which set out conflict of interests rules do not apply to CIA. Specifically, the undated, unsigned document entitled "Standards of Conduct for the White House Staff" does not apply because CIA is not part of the White House Staff. Part 100 of Chapter V of Title 3 of the CFR's, "Executive Office of the President," defines the Executive Office of the President for the purposes of that regulation as excluding CIA.

Executive Order 11222, of course, does apply to this Agency, as do the Civil Service Commission regulations issued thereunder. In addition, CIA regulations implementing the Executive Order and the Civil Service regulations have been in force for a number of years. Our regulations are brought to the attention of all employees semiannually and all are required to certify that they have read them. We are satisfied that our regulations clearly prescribe standards of conduct, including those concerning conflict of interests, both E.O. 11222 and 18 U.S.C. 208, and that they are well-known, understood and complied with throughout the Agency.

As to the submission of financial interest statements, there are two requirements. Under the Executive Order, the Director of Central Intelligence must submit to the Chairman of the Civil Service Commission, as of 30 June each year, a statement of his personal financial and employment interests. In addition, he must update his statement on a quarterly basis, but only with respect to those quarters in which there has been a change in his personal financial and employment situation. Mr. Colby

OGC Has Reviewed

submitted his 30 June 1974 statement to the Chairman of the Commission; he has also forwarded to the Chairman his statement reporting changes in his financial interests for the quarter ending 30 September 1974. Further, procedures have been established to assure that he reviews his financial and employment interests on a timely basis at the end of each quarter in the future.

Under the applicable regulations, all Agency employees who are paid at a level of the Executive Schedule and those who are paid at a level of GS-13 or higher and are engaged in contracting or procurement or certain other duties which could have an economic impact, must file statements as of 30 June of each year. All special employees file regardless of their pay levels and regardless of whether they are engaged in procurement or related matters. The statements must be reviewed at a senior supervisory level and any questionable situation resolved, with the assistance and advice of the General Counsel as needed, by such actions as may be appropriate. This exercise was carried out with respect to 30 June 1974. The statements of those senior officials who report to the Director were submitted to and reviewed by the Director. Other personnel submitted their statements to senior personnel within their components who reviewed them against the duties of the employees. We expect to go out with timely instructions to accomplish this exercise promptly next year and in the succeeding years.

Any questions or requests for additional information should be directed to [redacted] Associate General Counsel, Government Code [redacted]

Sincerely,

[redacted]
John S. Warner
General Counsel

cc: DDA
ExSec

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Sincerely,

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John S. Warner
General Counsel

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